

**CONFORMED CONTRACT as of 12/19/05**  
**\*\*FOR INFORMATIONAL PURPOSES ONLY\*\***

**DE-AC07-99ID13727**

**PART I - SECTION B**

**SUPPLIES OR SERVICES AND PRICES/COSTS**

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

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SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

**B.1 SERVICES BEING ACQUIRED**

The Contractor shall, in accordance with the terms of this Contract, provide the personnel, materials, supplies, and services (except as may be expressly set forth in this contract as furnished by the Government) and otherwise do all things necessary for, or incident to, providing its best efforts so as to carry out in an efficient and cost-effective manner all necessary and related services to manage and operate the Government-owned Idaho National Engineering and Environmental Laboratory\* (INEEL), located near Idaho Falls, ID and the Fort St. Vrain Independent Spent Fuel Storage Installation (ISFSI) located near Platteville, CO, as described in Section C "Statement of Work" of this contract.

(\* Includes the Specific Manufacturing Capability Facility located at Test Area North)

**SERVICES BEING REQUIRED for AMWTP work:**

The Contractor shall, in accordance with the terms of this Contract, provide the personnel, materials, supplies, and services (except as may be expressly set forth in this contract as furnished by the Government) and otherwise do all things necessary for, or incident to, providing its best efforts to carry out in an efficient and cost-effective manner all necessary and related services to manage and operate the Government-owned Advanced Mixed Waste Treatment Project (AMWTP), located near Idaho Falls, ID, as described in Section C.

The Government reserves the right to have any of the work contemplated by Section C, AMWTP Statement of Work, of this contract performed by another contractor or to have the work performed by Government employees. If the Contracting Officer withdraws the work, the contractor agrees to fully cooperate with the new performing entity and to provide transition support as required. Notwithstanding the clause entitled "Obligation of Funds" in Section B.2, the Contracting Officer may unilaterally deobligate funding associated with any such withdrawal of work. The total estimated cost and fee reductions will be negotiated at the time the work is withdrawn, and the contract modified accordingly. **(Mod M116 4/22/2005)**

**B.2 OBLIGATION OF FUNDS**

The amount presently obligated under this contract is as follows:

Funds Obligated by Contract Award	\$	100,000.00	
Funds Obligated by Modification No. A001	\$	3,034,200.35	
Funds Obligated by Modification No. A003	\$	136,223,526.92	
Funds Obligated by Modification No. A006 (99-13)	\$	(831,355.61)	
Funds Obligated by Modification No. A006 (99-14)	\$	137,155,184.43	
Funds Obligated by Modification No. A006 (00-01)	\$	91,941,211.67	\$ 228,265,040.49
Funds Obligated by Modification No. A008 (00-02)	\$	333,760,743.37	
Funds Obligated by Modification No. A009 (00-03)	\$	(14,582,780.82)	
Funds Obligated by Modification No. A011 (00-04)	\$	114,971,396.52	
Funds Obligated by Modification No. A013 (00-05)	\$	17,505,693.47	

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Funds Obligated by Modification No. A014	(00-06)	\$	(5,724,071.74)
Funds Obligated by Modification No. A016	(00-07)	\$	14,556,412.34
Funds Obligated by Modification No. A018	(00-08)	\$	10,090,355.52
Funds Obligated by Modification No. A020	(00-09)	\$	13,095,091.61
Funds Obligated by Modification No. A022	(00-10)	\$	2,066,323.37
Funds Obligated by Modification No. A024	(00-11)	\$	28,815,027.91
Funds Obligated by Modification No. A025	(00-12)	\$	7,434,074.40
Funds Obligated by Modification No. A027	(00-13)	\$	5,526,509.99
Funds Obligated by Modification No. A028	(01-01)	\$	23,387,753.12
Funds Obligated by Modification No. A030	(01-02)	\$	89,162,314.03
Funds Obligated by Modification No. A031	(01-03)	\$	67,681,910.18
Funds Obligated by Modification No. A034	(01-04)	\$	174,451,452.00
Funds Obligated by Modification No. A035	(01-05)	\$	77,724,120.16
Funds Obligated by Modification No. A036	(01-06)	\$	20,855,264.72
Funds Obligated by Modification No. A039	(01-07)	\$	60,372,170.90
Funds Obligated by Modification No. A040	(01-08)	\$	33,551,296.36
Funds Obligated by Modification No. A042	(01-09)	\$	9,958,661.23
Funds Obligated by Modification No. A043	(01-10)	\$	53,595,321.87
Funds Obligated by Modification No. A044	(01-11)	\$	18,382,052.83
Funds Obligated by Modification No. A046	(01-12)	\$	9,145,126.44
Funds Obligated by Modification No. A047	(01-13)	\$	6,821,209.09
Funds Obligated by Modification No. A048	(02-01)	\$	27,966,258.08
Funds Obligated by Modification No. A049	(02-02)	\$	98,245,358.37
Funds Obligated by Modification No. A050	(02-03)	\$	40,000,765.13
Funds Obligated by Modification No. A052	(02-04)	\$	155,868,193.14
Funds Obligated by Modification No. A053	(02-05)	\$	33,921,428.60
Funds Obligated by Modification No. A055	(02-06)	\$	11,683,629.47
Funds Obligated by Modification No. A057	(02-07)	\$	161,264,749.37
Funds Obligated by Modification No. A059	(02-08)	\$	9,253,366.67
Funds Obligated by Modification No. A060	(02-09)	\$	6,316,013.65
Funds Obligated by Modification No. A062	(02-10)	\$	16,136,616.40
Funds Obligated by Modification No. A063	(02-11)	\$	82,064,264.68
Funds Obligated by Modification No. A064	(02-12)	\$	32,418,219.32
Funds Obligated by Modification No. A066	(02-13)	\$	9,997,495.24
Funds Obligated by Modification No. A067	(03-01)	\$	64,969,632.90
Funds Obligated by Modification No. A069	(03-02)	\$	530,347.52
Funds Obligated by Modification No. A071	(03-03)	\$	75,701,744.07
Funds Obligated by Modification No. A074	(03-04)	\$	91,635,535.89
Funds Obligated by Modification No. A075	(03-05)	\$	125,586,438.33
Funds Obligated by Modification No. A077	(03-06)	\$	111,712,442.63
Funds Obligated by Modification No. A078	(03-07)	\$	191,352,779.00
Funds Obligated by Modification No. A079	(03-08)	\$	6,219,047.12
Funds Obligated by Modification No. A080	(03-09)	\$	16,438,559.56
Funds Obligated by Modification No. A083	(03-10)	\$	68,913,395.65

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Funds Obligated by Modification No. A084 (03-11)	\$	30,035,703.39
Funds Obligated by Modification No. A085 (03-12)	\$	16,626,353.28
Funds Obligated by Modification No. A087 (03-13)	\$	2,292,215.67
Funds Obligated by Modification No. A088 (04-01)	\$	40,533,605.64
Funds Obligated by Modification No. A089 (04-02)	\$	1,459,216.78
Funds Obligated by Modification No. A092 (04-03)	\$	111,045,713.52
Funds Obligated by Modification No. A094 (04-04)	\$	191,471,842.94
Funds Obligated by Modification No. A095 (04-05)	\$	17,993,497.92
Funds Obligated by Modification No. A097 (04-06)	\$	10,124,928.55
Funds Obligated by Modification No. A098 (04-07)	\$	43,284,384.39
Funds Obligated by Modification No. A099 (04-08)	\$	101,651,212.58
Funds Obligated by Modification No. A100 (04-09)	\$	40,884,988.14
Funds Obligated by Modification No. A102 (04-10)	\$	91,126,430.06
Funds Obligated by Modification No. A104 (04-11)	\$	34,472,199.03
Funds Obligated by Modification No. A105 (04-12)	\$	89,375,879.24
Funds Obligated by Modification No. A107 (04-13)	\$	12,885,189.10
Funds Obligated by Modification No. A108 (05-01)	\$	61,207,858.90
Funds Obligated by Modification No. A112 (05-02)	\$	(33,970,505.66)
Funds Obligated by Modification No. A113 (05-03)	\$	57,367,065.56
Funds Obligated by Modification No. A115 (05-04)	\$	(77,482,343.87)
Funds Obligated by Modification No. A117 (05-05)	\$	(21,072,899.13)
Funds Obligated by Modification No. A119 (05-06)	\$	33,763,480.49
Funds Obligated by Modification No. A120 (05-07)	\$	11,267,561.00
Funds Obligated by Modification No. A121 (05-08)	\$	9,999.89
Funds Obligated by Modification No. A122 (05-09)	\$	40,000,000.11
Funds Obligated by Modification No. A123 (05-11)	\$	(820,786.55)
Funds Obligated by Modification No. A124 (05-12)	\$	(13,220,919.01)
Funds Obligated by Modification No. A126 (05-13)	\$	(72.00)
<b>Total Funds Obligated</b>	<b>\$</b>	<b>3,870,734,277.38</b>

Details regarding the obligational authority for the modifications are provided separately in the monthly Approved Funding Program.

**B.3 ESTIMATED COST AND AVAILABLE FEE**

- (a) The estimated cost and total available fee pool will be established by the Government in accordance with DEAR 970.15404-4 and set forth in a modification to this provision.
- (b) The estimated cost of the specified contract periods, is set forth below:

<u>CONTRACT PERIOD</u>	<u>ESTIMATED COST</u>
October 1, 2001 through September 30, 2002	\$685,000,000
October 1, 2002 through	

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September 30, 2003	\$710,000,000	
October 1, 2003 through September 30, 2004	\$753,000,000	
October 1, 2004, through January 31, 2005	\$148,200,000	EM Funding
	\$115,700,000	Lab Funding
	<b>(Mod M096, 4/8/2004) (Mod M106, 10/29/2004)</b>	
February 1, 2005, through April 30, 2005	\$105,000,000	EM Funding
	<b>(Mod M110, 12/8/2004)</b>	

- (c) The EM Base Program New Budget Authority (BA) funding to be provided to the Contractor is set forth below:

PERIOD	EM BASE PROGRAM FUNDING
October 1, 2001 through September 30, 2002	\$405,000,000
October 1, 2002 through September 30, 2003	\$407,827,000
October 1, 2003 through September 30, 2004	\$385,000,000
October 1, 2004 through January 31, 2005	\$148,200,000
February 1, 2005 through April 30, 2005	\$105,000,000

DOE commits to EM base programming funding of \$407.827M, \$385M, and \$253.2M for Fiscal Years FY03, FY04 and FY05, respectively. Fiscal Year FY05 includes \$140M from Modification M096, the addition of \$8.2M for the CCP scope added to the first four months of FY05 and \$105M for the additional three-month extension. The CCP mobile unit and any support costs (i.e., WTS agreement) will be managed within the \$253.2M funding target. Additionally, DOE commits that the allocation between PBS's will be sufficient to ensure funds are available to allow execution of all workscope covered by the approved EM Detailed Work Plan (DWP), dated October 15, 2003, as revised by subsequent BCPs, including the Contracting Officer FY05 authorization letter (CF&AO-M&O-04-212), dated September 29, 2004. Should the level of funding or allocation restrictions negatively impact BBWI's ability to complete agreed upon EM DWP and this impact can be clearly demonstrated by BBWI with advance notice to DOE, DOE agrees to renegotiate affected elements of the PEMP and/or EM DWP, as appropriate. It is also agreed that purchase of a second ARP tent enclosure, excavator, associated foundation work, OCVZ relocation, WMF-610 modifications, and the last three months of the BBWI CCP project are included within these funding targets. Also, the cost incurred by the BBWI ICP transition team, temporary housing for displaced workers and the cost increases, associated with offering employment to the BBWI employees who have not been hired by the INL contractor, will be managed within these funding targets.  
**(Mod M090, 01/28/01) (Mod M096, 04/08/04) (Mod M106, 10/29/04)(Mod M110, 12/8/04)**

- (d) The total available fee for the specified contract periods is set forth in B.4 below.
- (e) Except as required by law or the terms of the contact, the contractor has authority and discretion to transfer available funds among PBSs to complete all PEMP measures in addition to DWP approved and funded scope. (The EM DWP is defined as the performance baseline component and the unfunded stretch component.) Notification of such transfers must be made to NE-ID by the 15th of each month. Transfers are limited to activities within the individual EM control levels and must be consistent with contract requirements. The contractor will provide monthly reports to NE-ID identifying available funding, costs, outstanding commitments and EAC by EM control level and PBI.  
**(Mod M073 1/27/03) (Mod M106 10/29/2004)**

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- (f) The Contractor has the authority to reduce/eliminate non-mission critical and/or non-regulator required EM DWP activities, and allocate funds accordingly, without prior NE-ID approval, provided that the change is documented by BCP and concurrent notice of the change and the BCP are provided to NE-ID. BBWI must notify an NE-ID COR and CO of deleted work scope and obtain an initial NE-ID evaluation of the proposed deletion. An NE-ID CO will notify BBWI within three (3) working days if they take exception to the BCP Work Scope not included in the approved DWP, and if externally driven, must be submitted for approval to NE-ID via the BCP process before funds will be authorized. **(Mod M106 10/29/2004)**
- (g) Open BCPs, provided to NE-ID prior to March 1, 2004, and approved by NE-ID, are considered part of this agreement and do not require additional ID-Management Reserve to implement. The BCPs are as follows: INTEC 04-011 Japan Fuel Receipt Credit; RW 04-012 WMF-602 Transfer to BNFL, Inc.; ML 04-008 Storm water Work Scope Modifications; ML 04-004 Change Due Date for Update/Revision to Volume I; Section A, ML 04-007 Disposition Evidentiary Materials; INTEC 04-052 Delete Scope for NSNFP Stand Canister & Weld Development; INTEC 04-061 Upgrade Egress for CPP-651; and INTEC 04-066 Upgrade Fort St. Vrain Radio Communication. **(Mod M096, 4/8/2004) (Mod M106 10/29/2004)**

**ESTIMATED COST AND AVAILABLE FEE for AMWTP work:**

- (1) The total estimated cost is \$125M. The total available fee is \$23.75 Million (M). The total estimated cost includes Baseline Change Proposal (BCP) ICP-05-05 Rev 1, Accelerated AMWTP Contract Activities, in the amount of \$1,037,800 approved March 28, 2005. BBWI shall segregate the costs for the AMWTP work separate from the Idaho Completion Project costs. **(Mod M116 4/22/2005)**
- (2) The total estimated cost for processing Lower-Limit of Detection (LLD) waste is \$4,843,397. The total estimated cost includes AMWTP-BCP-001 Rev 1, Lower Limit of Detection (LLD) Waste Disposal Project, as modified and approved on September 12, 2005 (Contracting Officer letter AS-SSD-AMWTP-05-026). BBWI shall segregate the subcontractor costs for the LLD waste work separately from other AMWTP work. LLD work is not included in the fee calculation for B.4, *Performance Based Incentive 4, Milestone Achievement Incentive*. **(Mod M125 10/12/2005)**

**B.4 TOTAL AVAILABLE FEE**

Fees delineated in Table B.4.1 were established in accordance with DEAR 970.1504-1-1 and in accordance with Section I.49 clause entitled DEAR 970.5204-54 TOTAL AVAILABLE FEE: BASE FEE AMOUNT AND PERFORMANCE FEE AMOUNT.

In the event the parties fail to agree on the amount of total available fee or any appropriate adjustments thereto under the aforementioned circumstances, the Contracting Officer may make a unilateral decision on the total available fee, subject to appeal under the clause of the contract entitled Disputes.

Total available fee for the contract is as follows:

**Table B.4.1**

	<b>Fiscal Year(s)</b>	<b>Government Specified Maximum Total Available Fee*</b>	<b>Fee Discount Factor</b>	<b>Total Available Fee (B) – [(B) X (C)] = (D)</b>
	<b>(A)</b>	<b>(B)</b>	<b>(C)</b>	<b>(D)</b>
<b>Basic</b>	FY 2000 (Oct-Mar)	\$10,000,000	5.0%	\$ 9,500,000

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	FY 2000 (Apr-Sep)	\$18,055,400	5.0%	\$17,155,400
	FY 2001	\$35,910,000	5.0%	\$34,200,000
	FY 2002	\$33,625,947	5.0%	\$31,944,650
	FY 2003/2004 - EM	\$51,066,350	N/A	\$50,266,350
	FY 2003/2004 - Lab	\$26,940,000	N/A	\$26,940,000
	EM FY 2004-2005 Challenge	\$16,319,000	N/A	\$16,244,000
<b>Option Period</b>	EM FY05 (10/1/04 thru 1/31/05)	\$7,006,000	N/A	\$ 7,006,000
	Lab FY 2005	\$4,940,000	N/A	\$ 4,940,000
	EM FY05 (2/1/05 thru 4/30/05)	\$9,700,000	N/A	\$ 9,700,000

\*Allocation between award fee and incentive fee shall be separately negotiated (or determined unilaterally by the Contracting Officer if good faith negotiations do not result in an agreement). **(Mod M096, 4/8/04) (Mod M106, 10/29/04) (Mod M110, 12/8/04)**

**PERFORMANCE BASED INCENTIVES for AMWTP work:**

**PERFORMANCE MEASURE AND EXPECTATION – The total available fee is \$23.75M and may be earned as follows:**

**Measure 1: Shipped Waste\* to WIPP – Available Fee is \$10M**

- BBWI is required to comply with the DOE approved WIPP shipping schedule, and starting October 1, 2005, the WIPP shipping penalty of \$12,500 per missed shipment will be deducted from earned fee.
- 5,400 cubic meters (m<sup>3</sup>) throughout this modification will be adjusted based on actual BNFL performance through 4/30/05 and volume remaining to get to 6,000m<sup>3</sup>.
- If 5,400 m<sup>3</sup> is shipped by 12/31/05, then the contractor will earn \$6M in fee.
- If 5,400 m<sup>3</sup> is not shipped by 12/31/05, the \$6M in fee is unearned.
- If 5,400 m<sup>3</sup> is shipped on or before 12/31/05, then the contractor will earn \$1,000/m<sup>3</sup> for each m<sup>3</sup> shipped above 5,400m<sup>3</sup> through 4/30/06. The maximum available fee is \$4M.
- If 5,400 m<sup>3</sup> is not shipped by 12/31/05, but the contractor does ship a total of 6,000m<sup>3</sup> by April 30, 2006, then \$4M is earned.
- \* Shipped Waste is defined as certified TRU waste that has a completed Payload Container Transportation Certification Document (and an Overpack Payload Container Transportation Certification Document, if applicable) and is loaded on approved carriers, and transported beyond the boundaries of the Idaho site.

**Measure 2: Prepare for Shipment\* of waste to WIPP by 4/30/06 – Available fee is \$6.25M**

Waste Prepared m <sup>3</sup>	Fee Paid Per m <sup>3</sup> of Waste Prepared for Shipment
0-2,500m <sup>3</sup>	\$660/m <sup>3</sup>
2,501-6,682m <sup>3</sup>	\$1,100/m <sup>3</sup>

- Contractor can bill in 500m<sup>3</sup> increments unless otherwise mutually agreed.
- \*Prepare for Shipment, throughout this contract, is defined as certified TRU waste that has a completed Payload Container Transportation Certification Document (and an Overpack Payload Container Transportation Certification Document, if applicable) and is ready to be loaded into a GFE transport.

**Measure 3: Waste Category Production Achieved by 4/30/06 – Total Processed – Available fee is \$2.5M**



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<u>Waste Category</u>	<u>Volume</u>	<u>Available Fee</u>
Waste Retrieved*	2,700m <sup>3</sup>	\$250K
Waste Characterized**	1,500m <sup>3</sup>	\$1.25M
Waste Certifiable***	500m <sup>3</sup>	\$1M

- The volume of waste retrieved, characterized, and certifiable must be in addition to the BNFL retrieved, characterized, and certifiable quantities.
- Fee for waste retrieved and waste characterized is only paid for total volume specified. There will be no prorating for lesser quantities.
- Fee for waste certifiable is paid on a pro rata basis at a rate of \$2,000/m<sup>3</sup>. For example, if the total volume of waste certifiable is 10m<sup>3</sup>, BBWI will earn \$20,000 (\$2,000/m<sup>3</sup> x 10 = \$20,000).
- Fee paid will be based on actual physical inventory of waste processed in each waste category on 4/30/06. No fee will be paid prior to 4/30/06 for this measure.
- \*Waste Retrieved is defined as all waste, regardless of its eventual disposal route, that is retrieved by the Contractor from its storage location at the Transuranic Storage Area Retrieval Enclosure, the RCRA Type II storage modules or the RCRA Type I storage module. Retrieved waste includes but is not limited to waste which has been historically managed as TRU and/or ALLMW. Retrieved waste will be compliantly staged and ready for characterization.
- \*\*Waste Characterized is defined as waste that is successfully processed through Real-Time Radiography, Assay, and Head Space Gas (lined debris drums or direct ship drums only), its relevant data validated and verified, and it is compliantly staged and ready for certification or introduction into the treatment facility.
- \*\*\*Waste Certifiable is defined as TRU waste that has been characterized, its relevant data validated and verified, and its information is ready to be entered into and approved in the WWIS Certification Module, as specified in the WIPP Hazardous Waste Permit.

**Measure 4: Milestone Achievement Incentive – Available fee is \$5M**

- BBWI must generate \$15M in Cost Savings by 4/30/06 (\$15M of the total estimated cost of \$125M) and achieve 5,400m<sup>3</sup> shipped by 12/31/05.
- Linear adjustment to this cost incentive will occur for any reduced savings below \$15M, but only if 5,400m<sup>3</sup> is shipped on or before 12/31/05 in accordance with Measure 1. For example, if BBWI accomplishes cost savings of \$10M by 4/30/06, and ships the 5,400m<sup>3</sup> of waste identified in Measure 1 to WIPP on or before 12/31/05, then BBWI will earn a cost savings incentive of \$3.3M (10/15 X \$5M = \$3.3M).

**B.5 AVAILABILITY OF APPROPRIATED FUNDS**

Except as may be specifically provided to the contrary in this contract in the clause in Section I entitled "Nuclear Hazards Indemnity Agreement," the duties and obligations of the Government hereunder calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the Congress, which the Department of Energy may legally spend for such purposes.